

## **IC 7.1-3-27**

### **Chapter 27. Artisan Distiller's Permit**

#### **IC 7.1-3-27-1**

##### **"Artisan distiller"**

Sec. 1. As used in this chapter, "artisan distiller" means a person who holds an artisan distiller's permit under this title.

*As added by P.L.109-2013, SEC.6.*

#### **IC 7.1-3-27-2**

##### **Issuance of permit**

Sec. 2. The commission may issue an artisan distiller's permit as provided in this chapter to a person who desires to commercially manufacture liquor.

*As added by P.L.109-2013, SEC.6.*

#### **IC 7.1-3-27-3**

##### **Gallonge limit**

Sec. 3. (a) An artisan distiller may produce not more than ten thousand (10,000) gallons of liquor in any calendar year. Liquor produced by an artisan distiller that is sold through a wholesaler licensed under IC 7.1-3-8 may not be counted toward the gallonge limit.

(b) An artisan distiller who knowingly or intentionally violates this section commits a Class B misdemeanor.

*As added by P.L.109-2013, SEC.6. Amended by P.L.159-2014, SEC.9.*

#### **IC 7.1-3-27-4**

##### **Federal permit required**

Sec. 4. The commission may issue an artisan distiller's permit to a person if the person is qualified to obtain the necessary permit or license from the United States to own or operate an establishment to manufacture liquor.

*As added by P.L.109-2013, SEC.6.*

#### **IC 7.1-3-27-5**

##### **Eligibility requirements**

Sec. 5. (a) Except as provided in section 7 of this chapter, an applicant for an artisan distiller's permit must meet all the following requirements to be eligible for an artisan distiller's permit:

(1) The permit applicant must hold one (1) of the following permits for the three (3) year period immediately preceding the date of the application:

(A) A farm winery permit under IC 7.1-3-12.

(B) A brewer's permit for a brewery described in IC 7.1-3-2-7(5).

(C) A distiller's permit under IC 7.1-3-7.

(2) The permit applicant may not have more than one (1) violation of this title during the three (3) year period

immediately preceding the date of the application.

(3) The permit applicant may not have any violation of this title during the twelve (12) month period immediately preceding the date of the permit application.

(b) As used in this subsection, "qualifying permit" means a farm winery, brewer's, or distiller's permit under subsection (a)(1)(A), (a)(1)(B), or (a)(1)(C) that is required in order to hold an artisan distiller's permit. The same persons must directly or indirectly own and control one hundred percent (100%) of the entity that holds the qualifying permit and the artisan distiller's permit.

*As added by P.L.109-2013, SEC.6.*

#### **IC 7.1-3-27-6**

##### **Holding other permits**

Sec. 6. (a) A holder of an artisan distiller's permit may also hold one (1) of the following:

(1) A farm winery permit.

(2) A brewer's permit for a brewery described in IC 7.1-3-2-7(5).

(3) A distiller's permit under IC 7.1-3-7.

(b) A holder of an artisan distiller's permit who also holds a permit described under subsection (a)(2) may hold a beer retailer's permit, a wine retailer's permit, or a liquor retailer's permit for a restaurant as described in IC 7.1-3-2-7(5)(C).

*As added by P.L.109-2013, SEC.6. Amended by P.L.70-2014, SEC.2.*

#### **IC 7.1-3-27-7**

##### **Exception to permit eligibility requirements**

Sec. 7. (a) This section applies only to a person that, on January 1, 2014:

(1) holds the necessary permit or license from the United States to own or operate an establishment to manufacture liquor; and

(2) does not hold any of the permits listed in section 5(a)(1) of this chapter.

(b) A person must meet all the following requirements to be eligible for an artisan distiller's permit under this section:

(1) Any person (except for a person under subdivision (2)) who sells or furnishes liquor by the bottle or glass on the premises of the artisan distillery:

(A) must have held for at least three (3) years an employee permit under IC 7.1-3-18-9 that authorizes the person to perform bartending duties;

(B) must have completed any alcohol server program or alcohol server training program refresher courses required under IC 7.1-3-1.5; and

(C) may not have any violations under this title.

(2) The applicant for the artisan distiller's permit and any management representative of the applicant must complete an alcohol server program or a trainer program established or approved under IC 7.1-3-1.5-5.5 or IC 7.1-3-1.5-6 not more than

one (1) year before the date of the application for the artisan distiller's permit.

(c) Except as provided in subsection (f)(2), the person may not be required to fulfill the requirements of section 5 of this chapter.

(d) If the person is issued an artisan distiller's permit under this section, the person must meet the following requirements for the period set forth in subsection (e):

(1) Any person selling or furnishing liquor on the premises of the artisan distillery (except for a person under subsection (b)(2)) must meet the requirements of subsection (b)(1).

(2) The holder of the artisan distiller's permit and any management representative of the holder of the artisan distiller's permit must successfully complete refresher courses under IC 7.1-3-1.5 not later than three (3) years after the date the holder or representative completes the initial server program or trainer program.

(e) A person who is issued an artisan distiller's permit under this section must meet the requirements in subsection (d) until the later of:

(1) three (3) years after the date on which the initial artisan distiller's permit is issued; or

(2) the date that the holder of the artisan distiller's permit has one (1) twelve (12) month period without a violation of this title.

(f) Upon fulfilling the requirements of subsections (d) and (e), a person who is issued an artisan distiller's permit under this section must meet the following requirements for as long as the person holds the permit:

(1) Any person who sells or furnishes liquor on the premises of the artisan distillery (except for a person under subsection (b)(2)) must have an employee permit under IC 7.1-3-18-9 and be otherwise authorized by the commission to perform bartending duties. However, the person is not required to:

(A) hold an employee bartending permit for three (3) years before selling or furnishing liquor; and

(B) not have any violations under this title.

(2) The holder of the artisan distiller's permit and any management representative of the holder of the artisan distiller's permit are subject to the same alcohol server training requirements and refresher course requirements as the holder of an artisan distiller's permit that meets the requirements of section 5 of this chapter.

*As added by P.L.109-2013, SEC.6.*

### **IC 7.1-3-27-8**

#### **Scope of permit**

Sec. 8. (a) The holder of an artisan distiller's permit may do only the following:

(1) Manufacture liquor, including blending liquor purchased from another manufacturer with liquor the artisan distiller

manufactures under section 11 of this chapter.

(2) Bottle liquor manufactured by the artisan distiller.

(3) Store liquor manufactured by the artisan distiller.

(4) Transport, sell, and deliver liquor manufactured by the artisan distiller to:

(A) places outside Indiana; or

(B) the holder of a liquor wholesaler's permit under IC 7.1-3-8.

(5) Sell liquor manufactured by the artisan distiller to consumers by the drink, bottle, or case from the premises of the distillery where the liquor was manufactured.

(6) Serve complimentary samples of the liquor manufactured by the artisan distiller to consumers on the premises of the distillery where the liquor was manufactured.

(b) The holder of an artisan distiller's permit who provides samples or sells liquor by the glass must furnish the minimum food requirements prescribed by the commission.

(c) An artisan distiller who knowingly or intentionally violates this section commits a Class B misdemeanor.

*As added by P.L.109-2013, SEC.6. Amended by P.L.159-2014, SEC.10.*

#### **IC 7.1-3-27-9**

##### **Prohibited sales**

Sec. 9. (a) An artisan distiller may not sell liquor to a retailer or dealer.

(b) An artisan distiller who knowingly or intentionally violates this section commits a Class B misdemeanor.

*As added by P.L.109-2013, SEC.6. Amended by P.L.159-2014, SEC.11.*

#### **IC 7.1-3-27-10**

##### **Shipping to consumers prohibited**

Sec. 10. (a) An artisan distiller may not ship liquor or cause liquor to be shipped to a consumer.

(b) An artisan distiller who knowingly or intentionally violates this section commits a Class B misdemeanor.

*As added by P.L.109-2013, SEC.6. Amended by P.L.159-2014, SEC.12.*

#### **IC 7.1-3-27-11**

##### **Sale of blended liquor**

Sec. 11. (a) An artisan distiller may blend liquor that the artisan distiller obtains from another manufacturer with liquor that the artisan distiller manufactures. The artisan distiller may sell the blended liquor as liquor that the artisan distiller manufactures only if the final product contains at least sixty percent (60%) of liquor that was fermented and distilled from raw materials by the artisan distiller at the licensed premises of the artisan distiller.

(b) An artisan distiller who knowingly or intentionally sells

blended liquor that contains less than sixty percent (60%) of liquor that was fermented and distilled from raw materials by the artisan distiller at the licensed premises of the artisan distiller commits a Class B misdemeanor.

*As added by P.L.109-2013, SEC.6. Amended by P.L.159-2014, SEC.13.*

#### **IC 7.1-3-27-12**

##### **Holder of artisan distiller permit and farm winery permit**

Sec. 12. (a) This section applies only to a person who:

- (1) holds an artisan distiller's permit; and
- (2) holds an interest in a farm winery permit under IC 7.1-3-12.

(b) An artisan distiller may:

- (1) serve samples of liquor that the artisan distiller manufactures; and
- (2) sell bottles and cases of liquor that the artisan distiller manufactures;

on the licensed premises where the wine is manufactured only if the wine is manufactured on the same premises where the artisan distiller manufactures liquor.

(c) A person to whom this section applies who knowingly or intentionally violates this section commits a Class B misdemeanor.

*As added by P.L.109-2013, SEC.6. Amended by P.L.159-2014, SEC.14.*

#### **IC 7.1-3-27-13**

##### **Holder of artisan distiller permit and brewer's permit**

Sec. 13. (a) This section applies only to a person who:

- (1) holds an artisan distiller's permit; and
- (2) holds an interest in a brewer's permit for a brewery described in IC 7.1-3-2-7(5).

(b) An artisan distiller may:

- (1) serve samples of liquor that the artisan distiller manufactures; and
- (2) sell bottles and cases of liquor that the artisan distiller manufactures;

on the licensed premises where the beer is manufactured only if the beer is manufactured on the same premises where the artisan distiller manufactures liquor.

(c) A person to whom this section applies who knowingly or intentionally violates this section commits a Class B misdemeanor.

*As added by P.L.109-2013, SEC.6. Amended by P.L.159-2014, SEC.15.*

#### **IC 7.1-3-27-14**

##### **Holder of artisan distiller permit and distiller permit**

Sec. 14. (a) This section applies only to the holder of an artisan distiller's permit that also holds an interest in a distiller's permit under IC 7.1-3-7.

(b) An artisan distiller may not:

- (1) serve complimentary samples of liquor; and
- (2) sell liquor;

manufactured under the distiller's permit issued under IC 7.1-3-7 on the premises of the artisan distillery or at any other location that the holder of the artisan distiller's permit is authorized to sell and serve samples of liquor manufactured under the artisan distiller's permit.

(c) A person to whom this section applies who knowingly or intentionally violates this section commits a Class B misdemeanor.  
*As added by P.L.109-2013, SEC.6. Amended by P.L.159-2014, SEC.16.*

#### **IC 7.1-3-27-15**

##### **Permit term; annual fee**

Sec. 15. (a) An artisan distiller's permit shall be issued for a period of two (2) years.

(b) The commission shall charge a permit fee of two hundred fifty dollars (\$250) annually to the holder of an artisan distiller's permit. The holder of an artisan distiller's permit shall pay the permit fee to the chairman on the anniversary of the date of the issuance of the original permit.

(c) A person who knowingly or intentionally engages in an activity requiring an artisan distiller's permit without possessing a valid artisan distiller's permit commits a Class B misdemeanor.  
*As added by P.L.109-2013, SEC.6. Amended by P.L.159-2014, SEC.17.*